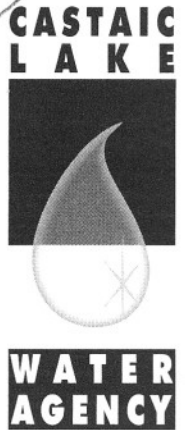


January 23, 2006

Mr. Lester Snow, Director
Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001

JAN 30 2006

085



RE: South Delta Improvements Program

~~LESTER~~
Dear Director Snow,

On behalf of the Castaic Lake Water Agency (CLWA), I am writing to express support for the Department of Water Resources' (DWR) South Delta Improvements Program (SDIP), a critical water supply, water quality and environmental project designed to meet California's diverse water needs. In October 2005, DWR and the U.S. Bureau of Reclamation released a draft Environmental Impact Report/Statement (EIR/S) for SDIP, kicking off an important public review and comment process.

California is facing a critical challenge: we need a safe, reliable and high quality water supply to keep up with our rapidly rising population and fast-growing trillion-dollar economy. However, we have limited water supplies in our arid state, so we must better utilize our existing water resources and infrastructure; otherwise, we put our communities, farms, environment and businesses at great risk. Two-thirds of California receives its water from the San Francisco Bay/Sacramento-San Joaquin Delta. Given its importance, we need better ways to manage the Delta's water delivery system, as well as the water itself. In essence, we need to make every drop count.

CLWA is a State Water Project contactor serving the Santa Clarita Valley in northern Los Angeles County, and depends on the SWP for about half of its water supply. Given the major infrastructure challenges facing the state, including the levees in the Delta, SDIP represents an important decision for California, as it would enable use of existing water supply infrastructure in a responsible and balanced manner to continue such water deliveries. This is of critical importance to water agencies in southern California.

In 2000, the state and federal governments initiated the historic CalFed Bay-Delta Program to manage the Bay-Delta's water resources and ecosystem. A unique collaboration of interests supported the plan including environmental organizations, water agencies, business interests, farmers, and state and federal water and fish agencies. SDIP is the next step forward in this long-term planning effort for the Bay-Delta.

SDIP is a responsible and balanced plan to better utilize and integrate our existing water management infrastructure in the Delta. Collectively, it will improve our state's water supply reliability, water quality and the overall health of the Bay-Delta ecosystem.

DIRECTORS

E.G. "JERRY" GLADBACH
DEAN D. EFSTATHIOU
WILLIAM C. COOPER
ROBERT J. DIPRIMIO
WILLIAM PECSI
PETER KAVOUNAS
BARBARA DORE
THOMAS P. CAMPBELL
EDWARD A. COLLEY
JACQUELYN H. McMILLAN
R.J. KELLY

GENERAL MANAGER

DAN MASNADA

GENERAL COUNSEL

McCORMICK, KIDMAN &
BEHRENS, LLP

SECRETARY

APRIL JACOBS

"A PUBLIC AGENCY PROVIDING RELIABLE, QUALITY WATER AT A REASONABLE COST TO THE SANTA CLARITA VALLEY"

JAN 30 2006

085

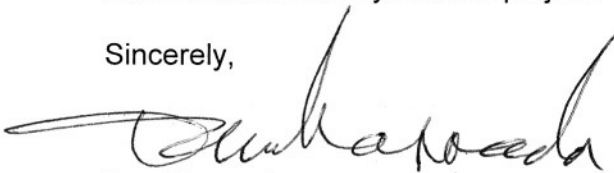
Currently, the state is constrained in its ability to use surplus water supplies. We have the infrastructure to move the water but, until SDIP is approved, the state's water managers cannot fully or responsibly use the existing system. SDIP calls for only a 3-5% increase in the average amount of water pumped from the Delta. More significantly, SDIP will provide the flexibility to shift the timing of water deliveries when surplus is available and when environmentally safe to do so. SDIP is an ideal option for California to advance – it will not require building a new project or the construction of major new infrastructure. And, funding for the program has already been secured through passage of voter approved bonds in 2000 (Proposition 13).

Given these points, SDIP is supported by a statewide, broad coalition of water, agriculture, business, planning organizations, and local government officials including the Association of California Water Agencies, California Chamber of Commerce, California Business Properties Association, State Water Contractors and the Western Growers Association.

Water is the lifeblood of California – critical to our families, farms, and businesses. It is our responsibility to use this precious resource wisely through all possible best management practices, including water conservation, recycling and storage, to ensure California's water future. It is imperative that we have a more flexible water delivery system so that we can continue to accommodate growth in our population and economy while relying on existing water supplies.

Again, CLWA strongly supports SDIP and we encourage all key stakeholders to help advance this critically needed project.

Sincerely,



Dan Masnada
General Manager

cc (facsimile): Hon. Governor Arnold Schwarzenegger
Mr. Ryan Brodderick, Director, California Department of Fish & Game
Mr. Mike Chrisman, Secretary, California Resources Agency
Mr. Joe Grindstaff, Director, California Bay-Delta Authority
Mr. Kirk Rodgers, Regional Director, Mid-Pacific Region, U.S. Bureau of Reclamation
Mr. Dan Skopec, Deputy Cabinet Secretary, Office of the Governor
Mr. Terry Tamminen, Cabinet Secretary, Office of the Governor
CLWA Board of Directors